

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01723A  
Rincon Water Company  
HC # 70 Box 3601  
Sahuarita, AZ 85629



RECEIVED  
MAIL  
S. D. W. COMPANY  
RINCON WATER

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

3-18-08

SCANNED

## COMPANY INFORMATION

**Company Name (Business Name)** Rincon Water Company \_\_\_\_\_

Mailing Address HC #70 Box 3601 \_\_\_\_\_  
(Street)

Sahuarita, AZ 85629 \_\_\_\_\_  
(City) (State) (Zip)

(520) 625-1671 (520) 625-1922 N/A  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address N/A \_\_\_\_\_

Local Office Mailing Address Same as above \_\_\_\_\_  
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** Karen Hartwell President \_\_\_\_\_  
(Name) (Title)

HC #70 Box Sahuarita AZ 85629 \_\_\_\_\_  
(Street) (City) (State) (Zip)

(520) 625-1671 (520) 625-1922 n/a  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address n/a \_\_\_\_\_

**On Site Manager:** Same as above \_\_\_\_\_  
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

**Statutory Agent:** Michael R. Urman  
(Name)

2525 East Broadway Blvd, #200 Tucson AZ 85716  
(Street) (City) (State) (Zip)

(520) 322-5000 n/a n/a  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Attorney:** same as above  
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

**Email Address**

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)      | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)          | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)           | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)         | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) <u></u> |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	1,549
303	Land and Land Rights	141,718	N/A	141,718
304	Structures and Improvements	80,825	40,176	40,649
307	Wells and Springs	30,316	30,316	-0-
311	Pumping Equipment	24,992	24,992	-0-
320	Water Treatment Equipment	N/A	-60,548	60,548
330	Distribution Reservoirs and Standpipes	184,730	115,867	68,863
331	Transmission and Distribution Mains	855,695	349,278	506,417
333	Services	34,995	12,574	22,421
334	Meters and Meter Installations	12,665	6,926	5,739
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	648	65	583
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	638	862
343	Tools, Shop and Garage Equipment	3,030	1,093	1,937
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	3,755	5,078
347	Miscellaneous Equipment	2,246	225	2,021
348	Other Tangible Plant	N/A	N/A	N/A
	<b>TOTALS</b>	<b>1,383,742</b>	<b>525,357</b>	<b>858,385</b>

This amount goes on the Balance Sheet Acct. No. 108 

**\*\* SEE ACCOUNTANTS' COMPILATION REPORT \*\***

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	N/A	N/A	N/A
302	Franchises	1,549	N/A	N/A
303	Land and Land Rights	141,718	N/A	N/A
304	Structures and Improvements	80,825	5%	4,041
307	Wells and Springs	30,316	5% (Limited)	N/A
311	Pumping Equipment	24,992	5% (Limited)	513
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	184,730	5%	9,237
331	Transmission and Distribution Mains	855,695	5%	42,785
333	Services	34,995	5%	1,750
334	Meters and Meter Installations	12,665	5%	633
335	Hydrants	N/A	N/A	N/A
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	648	5%	32
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	1,500	5%	75
343	Tools, Shop and Garage Equipment	3,030	5%	151
344	Laboratory Equipment	N/A	N/A	N/A
345	Power Operated Equipment	N/A	N/A	N/A
346	Communication Equipment	8,833	5%	442
347	Miscellaneous Equipment	2,246	5%	112
348	Other Tangible Plant	N/A	N/A	N/A
	<b>TOTALS</b>	<b>1,383,742</b>		<b>59,771</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 18,564	\$ 10,452
134	Working Funds	-0-	
135	Temporary Cash Investments	94,567	109,215
141	Customer Accounts Receivable	3,486	3,911
146	Notes/Receivables from Associated Companies	-0-	-0-
151	Plant Material and Supplies	-0-	-0-
162	Prepayments	-0-	-0-
174	Miscellaneous Current and Accrued Assets	-0-	-0-
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 116,617	\$ 123,578
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 1,377,882	\$ 1,383,742
103	Property Held for Future Use	-0-	-0-
105	Construction Work in Progress	30,000	30,000
108	Accumulated Depreciation – Utility Plant	-465,586	-525,357
121	Non-Utility Property	-0-	-0-
122	Accumulated Depreciation – Non Utility	-0-	-0-
	<b>TOTAL FIXED ASSETS</b>	\$ 942,296	\$ 888,385
	<b>TOTAL ASSETS</b>	<b>\$ 1,058,913</b>	<b>\$ 1,011,963</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 1,108	\$ 3,397
232	Notes Payable (Current Portion)	-0-	-0-
234	Notes/Accounts Payable to Associated Companies	-0-	-0-
235	Customer Deposits	13,632	12,872
236	Accrued Taxes	202	218
237	Accrued Interest	-0-	-0-
241	Miscellaneous Current and Accrued Liabilities	125,351	98,209
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 140,293	\$ 114,696
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ -0-	\$ -0-
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ -0-	\$ -0-
252	Advances in Aid of Construction	811,962	808,486
255	Accumulated Deferred Investment Tax Credits	-0-	-0-
271	Contributions in Aid of Construction	141,875	141,875
272	Less: Amortization of Contributions	-0-	-0-
281	Accumulated Deferred Income Tax	-0-	-0-
	<b>TOTAL DEFERRED CREDITS</b>	\$ 953,837	\$ 950,361
	<b>TOTAL LIABILITIES</b>	\$ 1,094,130	\$ 1,065,057
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 588,857	\$ 588,857
211	Paid in Capital in Excess of Par Value	141,073	141,073
215	Retained Earnings	-765,147	-783,024
218	Proprietary Capital (Sole Props and Partnerships)	-0-	-0-
	<b>TOTAL CAPITAL</b>	\$ -35,217	\$ -53,094
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$ 1,058,913</b>	<b>\$ 1,011,963</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 46,586	\$ 50,774
460	Unmetered Water Revenue	-0-	-0-
474	Other Water Revenues	-0-	-0-
	<b>TOTAL REVENUES</b>	\$ 46,586	\$ 50,774
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ -0-	\$ -0-
610	Purchased Water	-0-	-0-
615	Purchased Power	2,544	2,829
618	Chemicals	-0-	-0-
620	Repairs and Maintenance	10,524	13,102
621	Office Supplies and Expense	253	680
630	Outside Services	8,190	8,057
635	Water Testing	882	571
641	Rents	-0-	-0-
650	Transportation Expenses	-0-	-0-
657	Insurance – General Liability	9,665	8,004
659	Insurance - Health and Life	1,294	1,194
666	Regulatory Commission Expense – Rate Case	45	45
675	Miscellaneous Expense	419	602
403	Depreciation Expense	60,215	59,771
408	Taxes Other Than Income	-0-	-0-
408.11	Property Taxes	4,240	2,661
409	Income Tax	-0-	-0-
	<b>TOTAL OPERATING EXPENSES</b>	\$ 98,271	\$ 97,516
	<b>OPERATING INCOME/(LOSS)</b>	\$ -51,685	\$ -46,742
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 4,114	\$ 5,206
421	Non-Utility Income	9,360	24,062
426	Miscellaneous Non-Utility Expenses	-0-	-0-
427	Interest Expense	-580	-403
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 12,894	\$ 28,865
	<b>NET INCOME/(LOSS)</b>	\$ -38,791	\$ -17,877



**COMPANY NAME:** RINCON WATER COMPANY

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued	N/A	N/A	N/A	N/A
Source of Loan	N/A	N/A	N/A	N/A
ACC Decision No.	N/A	N/A	N/A	N/A
Reason for Loan	N/A	N/A	N/A	N/A
Dollar Amount Issued	\$N/A	\$N/A	\$N/A	\$N/A
Amount Outstanding	\$N/A	\$N/A	\$N/A	\$N/A
Date of Maturity	N/A	N/A	N/A	N/A
Interest Rate	N/A%	N/A%	N/A%	N/A%
Current Year Interest	\$N/A	\$N/A	\$N/A	\$N/A
Current Year Principle	\$N/A	\$N/A	\$N/A	\$N/A

Meter Deposit Balance at Test Year End \$N/A

Meter Deposits Refunded During the Test Year \$N/A

**\*\* SEE ACCOUNTANTS' COMPILATION REPORT \*\***

**COMPANY NAME: RINCON WATER COMPANY**

**Name of System:**

**ADEQ Public Water System Number: 10144**

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
607531	15	1550	280	12	4	1982
607532	Capped	N/A	N/A	N/A	N/A	N/A
607533	5	40	101	24	2	1982

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
N/A		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
40	1	20	
30	2		
60	1		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
186,000	1	5,000	1
20,000	1		
140,000	1		

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

COMPANY NAME: RINCON WATER COMPANY

Name of System:

ADEQ Public Water System Number: 10144

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3	N/A	N/A
4	PVC	6,100
5	N/A	N/A
6	Transite	40,900
8	N/A	N/A
10	N/A	N/A
12	N/A	N/A
6	PVC	33,033
8	PVC	2,377

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	N/A
3/4	N/A
1	64
1 1/2	N/A
2	N/A
Comp. 3	N/A
Turbo 3	N/A
Comp. 4	N/A
Tubo 4	N/A
Comp. 6	N/A
Tubo 6	N/A

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

NONE

STRUCTURES:

Water plant with 2 buildings and a pond all located in a fenced site.

OTHER:

N/A

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME: RINCON WATER COMPANY</b>	
<b>Name of System:</b>	<b>ADEQ Public Water System Number: 10144</b>

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007**

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	64	546	599	
FEBRUARY	64	484	497	
MARCH	65	459	587	
APRIL	65	528	641	
MAY	65	663	675	
JUNE	65	770	860	
JULY	65	758	848	
AUGUST	65	455	614	
SEPTEMBER	65	633	739	
OCTOBER	65	690	715	
NOVEMBER	66	559	629	
DECEMBER	66	435	482	
<b>TOTALS →</b>		<b>6,980</b>	<b>7,886</b>	

What is the level of arsenic for each well on your system? \_\_\_\_\_ <0.0010 \_\_\_\_\_ mg/l  
*(If more than one well, please list each separately.)*

If system has fire hydrants, what is the fire flow requirement? \_\_\_\_\_ GPM for \_\_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☐ Yes                      ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
☒ Yes                      ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
☐ Yes                      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME RINCON WATER COMPANY YEAR ENDING 12/31/2007

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 2,660.57

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

RINCON WATER CO INC

Acct # 00000000000014335039

November 2, 2007

Page 2 of 2

**RINCON WATER CO. INC.**  
 BOX 3001 PH 12000-1071  
 SAHUARITA, AZ 85629

NOV 18 1965  
 5-19-07  
 \$ 2460.57

**BANK ONE**  
 BANK ONE  
 12000-1071  
 SAHUARITA, AZ 85629

*Debit Card*  
 12000-1071  
 SAHUARITA, AZ 85629

*Account #* 14335039  
*Amount* \$ 2460.57  
*Cardholder* *Kam Stewart*

12000-1071  
 SAHUARITA, AZ 85629

00000000000014335039 09252007 0000000010271 \$2,660.57

09-24-07 1965-027  
 12000-1071  
 SAHUARITA, AZ 85629  
 3150205137

00000000000014335039 09252007 0000000010270 \$2,660.57

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
205	85	004U	2000	8.6781	3.7565	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED:	30,225	16.0	4,836		4,836
FULL CASH:	39,000	16.0	6,240		6,240
PERSONAL PROPERTY:					

2007 TAX SUMMARY		JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	419.67	PIMA COUNTY PRI	174.19	167.82	6.37
		VAIL 20 PRI	196.20	201.73	-5.53
LESS STATE AID TO EDUCATION	0.00	PIMA COLLEGE PRI	49.28	46.17	3.11
		COUNTY BONDS SEC	42.74	44.62	-1.88
NET PRIMARY PROPERTY TAX	419.67	VAIL 20 SEC	123.28	130.09	-6.81
		JOINT TECH ED SE	3.12	0.00	3.12
SECONDARY PROPERTY TAX	234.37	PIMA COLLEGE SEC	10.32	12.14	-1.82
		CEN ARIZ WTR SEC	6.24	7.49	-1.25
TOTAL TAX DUE FOR 2007	654.04	PIMA CO FLD SEC	21.50	23.38	-1.88
		LIBRARY DISTRICT	24.80	22.93	1.87
		FIRE DIST ASSIST	2.37	2.59	-0.22

PTM PCL 76 X-9 RANCH RS 1/40 PTN SW4 5.20 AC  
SEC 16-15-17

hot-76

TOTALS

654.04

658.96

-4.92

# PAYMENT INSTRUCTIONS

To pay the 1st half installment, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2007. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2008. The minimum acceptable payment is \$10 or 10% of the payment due, whichever is greater.

0014660 01 AV 0.312 \*\*AUTO T9 0 0781 85629-930601



RINCON WATER CO  
HC #70 BOX 3601  
SAHUARITA AZ 85629-9306

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK  
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

Please make your check  
payable to  
Pima County Treasurer  
and mail to:

Pima County Treasurer  
PO BOX 29011  
Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
STATE CODE NUMBER  
ON YOUR CHECK.

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
205	85	004R	2000	8.6781	3.7565	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED	500	16.0	80		80
FULL CASH	500	16.0	80		80
PERSONAL PROPERTY					

2007 TAX SUMMARY		JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	6.95	PIMA COUNTY PRI	2.88	3.07	-0.19
LESS STATE AID TO EDUCATION	0.00	VAIL 20 PRI	3.25	3.69	-0.44
NET PRIMARY PROPERTY TAX	6.95	PIMA COLLEGE PRI	0.82	0.85	-0.03
SECONDARY PROPERTY TAX	2.99	COUNTY BONDS SEC	0.55	0.57	-0.02
TOTAL TAX DUE FOR 2007	9.94	VAIL 20 SEC	1.58	1.67	-0.09
		JOINT TECH ED SE	0.04	0.00	0.04
		PIMA COLLEGE SEC	0.13	0.16	-0.03
		CEN ARIZ WTR SEC	0.08	0.10	-0.02
		PIMA CO FLD SEC	0.28	0.30	-0.02
		LIBRARY DISTRICT	0.32	0.29	0.03
		FIRE DIST ASSIST	0.01	0.03	-0.02

W TRI PTN NW4 SW4 .05 AC SEC 16-15-17 AKA

W TRI PTN LOT 76 RS 1/40

276

TOTALS

9.94

10.73

-0.79

## PAYMENT INSTRUCTIONS

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0013932 01 AV 0.312 \*\*AUTO T7 0 0781 85629-930601



RINCON WATER CO  
HC #70 BOX 3601  
SAHUARITA AZ 85629-9306

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK  
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

Please make your check  
payable to  
Pima County Treasurer  
and mail to:

Pima County Treasurer  
PO BOX 29011  
Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
STATE CODE NUMBER  
ON YOUR CHECK.



BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
205	64	7200	2004	8.6781	6.3886	265.000

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED	500	10.0	50		50
FULL CASH	500	10.0	50		50
PERSONAL PROPERTY					

2007 TAX SUMMARY		JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	4.35	PIMA COUNTY PRI	1.80	1.92	-0.12
		VAIL 20 PRI	2.04	2.31	-0.27
LESS STATE AID TO EDUCATION	0.00	PIMA COLLEGE PRI	0.51	0.53	-0.02
		COUNTY BONDS SEC	0.34	0.36	-0.02
NET PRIMARY PROPERTY TAX	4.35	VAIL 20 SEC	0.99	1.04	-0.05
		JOINT TECH ED SE	0.03	0.00	0.03
SECONDARY PROPERTY TAX	3.18	PIMA COLLEGE SEC	0.08	0.10	-0.02
		RINCON VALLEY FD	1.32	1.32	0.00
TOTAL TAX DUE FOR 2007	7.53	CEN ARIZ WTR SEC	0.05	0.06	-0.01
		PIMA CO FLD SEC	0.17	0.19	-0.02
		LIBRARY DISTRICT	0.20	0.18	0.02
		FIRE DIST ASSIST		0.02	-0.02
		TOTALS	7.53	8.03	-0.50

MOUNTAIN CREEK RANCH WELL SITE

CAGR0 0

(10735/147)

## PAYMENT INSTRUCTIONS

To pay the 1st half installment, send the 1st half coupon with your payment postmarked no later than Nov. 1, 2007. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 1, 2008. The minimum acceptable payment is \$10 or 10% of the payment due, whichever is greater.

0013929 01 AV 0.312 \*\*AUTO T7 0 0781 85629-930601

  
**RINCON WATER COMPANY INC**  
**ATTN: KAREN HARTWELL**  
**HC#70 BOX 3601**  
**SAHUARITA AZ 85629-9306**

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK  
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

**Please make your check  
payable to  
Pima County Treasurer  
and mail to:**

Pima County Treasurer  
PO BOX 29011  
Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
STATE CODE NUMBER  
ON YOUR CHECK.

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
205	77	006C	2000	8.6781	3.7565	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED	500	24.0	120		120
FULL CASH	500	24.0	120		120
PERSONAL PROPERTY					

2007 TAX SUMMARY		JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	10.41	PIMA COUNTY PRI	4.32	4.73	-0.41
		VAIL 20 PRI	4.87	5.68	-0.81
LESS STATE AID TO EDUCATION	0.00	PIMA COLLEGE PRI	1.22	1.30	-0.08
		COUNTY BONDS SEC	0.82	0.88	-0.06
NET PRIMARY PROPERTY TAX	10.41	VAIL 20 SEC	2.36	2.56	-0.20
		JOINT TECH ED SE	0.06	0.00	0.06
SECONDARY PROPERTY TAX	4.47	PIMA COLLEGE SEC	0.20	0.24	-0.04
		CEN ARIZ WTR SEC	0.12	0.15	-0.03
TOTAL TAX DUE FOR 2007	14.88	PIMA CO FLD SEC	0.41	0.46	-0.05
		LIBRARY DISTRICT	0.48	0.45	0.03
		FIRE DIST ASSIST	0.02	0.05	-0.03
		TOTALS	14.88	16.50	-1.62

IRR PCL IN LOT 24 .038 AC SEC 10-15-17

MINESHAFT

TOTAL VALUE OF OPERATING PROPERTY - TAXPAYER

GROUP NO 223

## PAYMENT INSTRUCTIONS

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0013930 01 AV 0.312 \*\*AUTO T7 0 0781 85629-930601



RINCON WATER COMPANY

ATTN: KAREN HARTWELL

HC 70 BOX 3601

SAHUARITA AZ 85629-9306

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PO BOX 29011  
Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
STATE CODE NUMBER  
ON YOUR CHECK.

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
922	32	0000	2000	8.6781	3.7565	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED	3,157	24.0	758		758
FULL CASH	3,157	24.0	758		758
PERSONAL PROPERTY	48,600	24.0	11,664		11,664

2007 TAX SUMMARY	JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	PIMA COUNTY PRI	447.44	468.38	-20.94
	VAIL 20 PRI	503.96	563.03	-59.07
LESS STATE AID TO EDUCATION	PIMA COLLEGE PRI	126.59	128.86	-2.27
	COUNTY BONDS SEC	85.09	87.17	-2.08
NET PRIMARY PROPERTY TAX	VAIL 20 SEC	245.42	254.16	-8.74
	JOINT TECH ED SE	6.21	0.00	6.21
SECONDARY PROPERTY TAX	PIMA COLLEGE SEC	20.55	23.71	-3.16
	CEN ARIZ WTR SEC	12.42	14.63	-2.21
TOTAL TAX DUE FOR 2007	PIMA CO FLD SEC	2.61	2.79	-0.18
	LIBRARY DISTRICT	49.38	44.80	4.58
	FIRE DIST ASSIST	4.74	5.06	-0.32

TOTAL VALUE OF OPERATING PROPERTY

TAXPAYER GROUP NO 223

TOTALS

1,504.41

1,592.59

-88.18

## PAYMENT INSTRUCTIONS

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0014899 01 AV 0.312 \*\*AUTO TO 0 0781 85629-930601



RINCON WATER COMPANY  
ATTN: KAREN HARTWELL  
HC 70 BOX 3601  
SAHUARITA AZ 85629-9306

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK  
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

Please make your check  
payable to  
Pima County Treasurer  
and mail to:

Pima County Treasurer  
PO BOX 29011  
Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
STATE CODE NUMBER  
ON YOUR CHECK.

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
205	85	009C	2000	8.6781	3.7565	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED	500	24.0	120		120
FULL CASH	500	24.0	120		120
PERSONAL PROPERTY					

2007 TAX SUMMARY		JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	10.41	PIMA COUNTY PRI	4.32	4.73	-0.41
		VAIL 20 PRI	4.87	5.68	-0.81
LESS STATE AID TO EDUCATION	0.00	PIMA COLLEGE PRI	1.22	1.30	-0.08
		COUNTY BONDS SEC	0.82	0.88	-0.06
NET PRIMARY PROPERTY TAX	10.41	VAIL 20 SEC	2.36	2.56	-0.20
		JOINT TECH ED SE	0.06	0.00	0.06
SECONDARY PROPERTY TAX	4.47	PIMA COLLEGE SEC	0.20	0.24	-0.04
		CEN ARIZ WTR SEC	0.12	0.15	-0.03
TOTAL TAX DUE FOR 2007	14.88	PIMA CO FLD SEC	0.41	0.46	-0.05
		LIBRARY DISTRICT	0.48	0.45	0.03
		FIRE DIST ASSIST	0.02	0.05	-0.03
		TOTALS	14.88	16.50	-1.62

100' X 100' WELLSITE IN CENTER PTN OF S2 NE4

.23 AC SEC 16-15-17 AKA PT LOTS 70 X 71 X-9

RANCH PHASE IV RS 1/40

TOTAL VALUE OF OPERATING PROPERTY-GROUP 2

capped well

## PAYMENT INSTRUCTIONS

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0013933 01 AV 0.312 \*\*AUTO T7 0 0781 85629-930601

  
**RINCON WATER COMPANY**  
**ATTN: KAREN HARTWELL**  
**HC 70 BOX 3601**  
**SAHUARITA AZ 85629-9306**

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK  
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

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payable to  
Pima County Treasurer  
and mail to:**

Pima County Treasurer  
PO BOX 29011  
Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
STATE CODE NUMBER  
ON YOUR CHECK.

BOOK	STATE CODE # MAP	PARCEL	AREA CODE	PRIMARY TAX RATE PER \$100 ASSESSED VALUE	SECONDARY TAX RATE PER \$100 ASSESSED VALUE	IRRIGATION DISTRICT \$ PER ACRE
205	84	0140	2000	8.6781	3.7565	

ASSESSMENT	VALUE IN DOLLARS	ASSESSMENT RATIO	ASSESSED VALUE IN DOLLARS	EXEMPTIONS	NET ASSESSED VALUE
LIMITED	3,250	24.0	780		780
FULL CASH	3,250	24.0	780		780
PERSONAL PROPERTY					

2007 TAX SUMMARY		JURISDICTION	2007 TAXES	2006 TAXES	DIFFERENCE
PRIMARY PROPERTY TAX	67.69	PIMA COUNTY PRI	28.10	30.58	-2.48
		VAIL 20 PRI	31.64	36.76	-5.12
LESS STATE AID TO EDUCATION	0.00	PIMA COLLEGE PRI	7.95	8.41	-0.46
		COUNTY BONDS SEC	5.34	5.69	-0.35
NET PRIMARY PROPERTY TAX	67.69	VAIL 20 SEC	15.41	16.60	-1.19
		JOINT TECH ED SE	0.39	0.00	0.39
SECONDARY PROPERTY TAX	29.30	PIMA COLLEGE SEC	1.29	1.55	-0.26
		CEN ARIZ WTR SEC	0.78	0.96	-0.18
TOTAL TAX DUE FOR 2007	96.99	PIMA CO FLD SEC	2.69	2.98	-0.29
		LIBRARY DISTRICT	3.10	2.93	0.17
		FIRE DIST ASSIST	0.30	0.33	-0.03
		TOTALS	96.99	106.79	-9.80

200' X 200' WELLSITE IN SE4 SE4 .92 AC  
 SEC 15-15-17 AKA WELLSITE IN LOT 86 X9 RANCH  
 PHASE V R/S 3/28  
 TOTAL VALUE OF OPERATING PROPERTY-GROUP 2

Rosewood

# PAYMENT INSTRUCTIONS

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0013931 01 AV 0.312 \*\*AUTO T7 0 0781 85629-930601



RINCON WATER COMPANY  
 ATTN: KAREN HARTWELL  
 HC 70 BOX 3601  
 SAHUARITA AZ 85629-9306

THERE WILL BE A \$25 CHARGE FOR EACH RETURNED CHECK  
 AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

Please make your check  
 payable to  
 Pima County Treasurer  
 and mail to:

Pima County Treasurer  
 PO BOX 29011  
 Phoenix AZ 85038-9011



PLEASE INCLUDE YOUR  
 STATE CODE NUMBER  
 ON YOUR CHECK.

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

RECEIVED

MAY 14 2007

CLARK COUNTY  
DIRECTOR, UTILITY

**VERIFICATION**

STATE OF \_\_\_\_\_  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME) PIMA
NAME (OWNER OR OFFICIAL) TITLE KAREN HARTWELL, PRESIDENT
COMPANY NAME RINCON WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

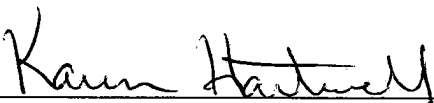
MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL

520-625-1671

\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

DAY OF

COUNTY NAME	
MONTH	.20__

(SEAL)

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES \_\_\_\_\_

COMPANY NAME RINCON WATER COMPANY YEAR ENDING 12/31/2007

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported -0-  
Estimated or Actual Federal Tax Liability -0-

State Taxable Income Reported -0-  
Estimated or Actual State Tax Liability -0-

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances -0-  
Amount of Gross-Up Tax Collected -0-  
Total Grossed-Up Contributions/Advances -0-

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Karen Hartwel  
SIGNATURE

3-12-08  
DATE

KAREN HARTWEL  
PRINTED NAME

PRESIDENT  
TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED

**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) PIMA

NAME (OWNER OR OFFICIAL) TITLE PRESIDENT

COMPANY NAME RINCON WATER COMPANY

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 54,045

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 3,271  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*Karen Hartwell*  
SIGNATURE OF OWNER OR OFFICIAL

520-625-1671  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

\_\_\_\_\_

DAY OF

COUNTY NAME

MONTH

.20\_\_

(SEAL)

MY COMMISSION EXPIRES \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 54,045

THE AMOUNT IN BOX AT LEFT

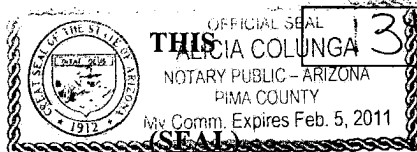
INCLUDES \$ 3,271  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

Kenn Hartwell  
SIGNATURE OF OWNER OR OFFICIAL  
520-625-1671  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**



DAY OF March MONTH March .2008

NOTARY PUBLIC NAME	<u>Alicia Colunga</u>
COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
YEAR	<u>2008</u>

**MY COMMISSION EXPIRES**

252011

X

[Signature]  
SIGNATURE OF NOTARY PUBLIC